3510-DS-P

### DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-131, C-570-132]

Twist Ties from the People's Republic of China: Antidumping and Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC), Commerce is issuing antidumping duty (AD) and countervailing duty (CVD) orders on twist ties from the People's Republic of China (China).

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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# SUPPLEMENTARY INFORMATION:

#### Background

In accordance with sections 705(d) and 735(d) of the Tariff Act of 1930, as amended (the Act), on February 22, 2021, Commerce published its affirmative final determination of sales at less-than-fair-value (LTFV)<sup>1</sup> and its affirmative final determination that countervailable subsidies are being provided to producers and exporters of twist ties from China.<sup>2</sup> On April 8, 2021, the ITC notified Commerce of its final affirmative determinations that an industry in the

<sup>&</sup>lt;sup>1</sup> See Twist Ties from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value, 86 FR 10536 (February 22, 2021) (LTFV Final Determination).

<sup>&</sup>lt;sup>2</sup> See Twist Ties from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 86 FR 10542 (February 22, 2021) (CVD Final Determination).

United States is materially injured by reason of LTFV imports and subsidized imports of twist ties from China, within the meaning of sections 705(b)(1)(A)(i) and 735(b)(1)(A)(i) of the Act.<sup>3</sup>

Scope of the Orders

The products covered by these orders are twist ties from China. For a complete description of the scope of the orders, *see* Appendix to this notice.

# AD Order

On April 8, 2021, in accordance with section 735(d) of the Act, the ITC notified Commerce of its final determinations that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act by reason of imports of twist ties from China.<sup>4</sup> Therefore, Commerce is issuing this AD order in accordance with sections 735(c)(2) and 736 of the Act. Because the ITC determined that imports of twist ties from China are materially injuring a U.S. industry, unliquidated entries of such merchandise from China entered, or withdrawn from warehouse, for consumption are subject to the assessment of antidumping duties.

Therefore, in accordance with section 736(a)(1) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise for all relevant entries of twist ties from China. Antidumping duties will be assessed on unliquidated entries of twist ties from China entered, or withdrawn from warehouse, for consumption on or after December 10, 2020, the date of publication of the *LTFV Preliminary Determination*, but will not be assessed on entries occurring after the expiration of the provisional measures period and before publication of the ITC's final affirmative injury determinations, as further described below.<sup>5</sup>

<sup>&</sup>lt;sup>3</sup> See ITC's Letter, "Notification of ITC Final Determinations," dated April 8, 2021 (ITC Notification).

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> See Twist Ties from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, 85 FR 79468 (December 10, 2020) (LTFV Preliminary Determination).

# Continuation of Suspension of Liquidation - AD

In accordance with section 736 of the Act, we will instruct CBP to continue to suspend liquidation on all relevant entries of twist ties from China entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's final affirmative injury determinations in the *Federal Register*. These instructions suspending liquidation will remain in effect until further notice. For each producer and exporter combination, Commerce will also instruct CBP to require cash deposits for estimated antidumping duties equal to the cash deposit rates listed below.

Accordingly, effective on the date of publication of the ITC's final affirmative injury determinations, CBP will require, at the same time as an importer of record would normally deposit estimated duties on the subject merchandise, a cash deposit for each entry of subject merchandise equal to the cash deposit rates listed below.<sup>6</sup> As stated in the *LTFV Final Determination*, Commerce made certain adjustments for export subsidies from the *CVD Final Determination* to the estimated weighted-average dumping margin to determine each of the cash deposit rates.

Exporter	Producer	Estimated Weighted-Average Dumping Margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
Rongfa Plastic	Rongfa Plastic		
Products Co., Ltd.	Products Co., Ltd.		
(also known as	(also known as	72.96	62.42
Zhenjiang Rongfa	Zhenjiang Rongfa		
Plastic Co., Ltd)	Plastic Co., Ltd)		
Tianjin Kyoei	Tianjin Kyoei		
Packaging Supplies	Packaging Supplies	72.96	62.42
Co., Ltd.	Co., Ltd.		
China-Wide Entity <sup>7</sup>		72.96	62.42

Provisional Measures – AD

<sup>&</sup>lt;sup>6</sup> See section 736(a)(3) of the Act.

<sup>&</sup>lt;sup>7</sup> The China-wide entity includes Zhenjiang Hongda Commodity Co., Ltd. and Zhenjiang Zhonglian I/E Co., Ltd.

Section 733(d) of the Act states that suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except that Commerce may extend the four-month period to no more than six months at the request of exporters representing a significant proportion of exports of the subject merchandise. Commerce published its *LTFV Preliminary Determination* on December 10, 2020.8 Commerce's *LTFV Final Determination* published on February 22, 2021.9 Therefore, the four-month period beginning on the date of publication of the *LTFV Preliminary Determination* ended on April 8, 2021.

Therefore, in accordance with section 733(d) of the Act, Commerce will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of twist ties from China entered, or withdrawn from warehouse, for consumption after April 8, 2021, the date on which the provisional measures expired, through the day preceding the date of publication of the ITC's final affirmative injury determinations in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final affirmative injury determinations in the *Federal Register*.

### CVD Order

On April 8, 2021, in accordance with section 705(d) of the Act, the ITC notified Commerce of its final determinations that an industry in the United States is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act by reason of imports of twist ties from China. Therefore, Commerce is issuing this CVD order in accordance with sections 705(c)(2) and 706 of the Act. Because the ITC determined that imports of twist ties from China are materially injuring a U.S. industry, unliquidated entries of such merchandise from China entered, or withdrawn from warehouse, for consumption are subject to the assessment of countervailing duties.

<sup>&</sup>lt;sup>8</sup> See LTFV Preliminary Determination.

<sup>&</sup>lt;sup>9</sup> See LTFV Final Determination.

<sup>&</sup>lt;sup>10</sup> See ITC Notification.

Therefore, in accordance with section 706(a)(1) of the Act, Commerce will direct CBP to assess, upon further instruction by Commerce, countervailing duties on all relevant entries of twist ties from China. Countervailing duties will be assessed on unliquidated entries of twist ties from China which are entered, or withdrawn from warehouse, for consumption on or after December 1, 2020, the date of publication of the *CVD Preliminary Determination*, 11 but will not be assessed on entries occurring after the expiration of the provisional measures period and before publication of the ITC's final affirmative injury determinations, as further described below.

# Suspension of Liquidation - CVD

In accordance with section 706 of the Act, we will instruct CBP to reinstitute suspension of liquidation on all relevant entries of twist ties from China, effective on the date of publication of the ITC's final affirmative injury determinations in the *Federal Register*, and to assess, upon further instruction by Commerce, pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rate for the subject merchandise. These instructions suspending liquidation will remain in effect until further notice. Commerce will also instruct CBP to require cash deposits equal to the amounts as indicated below. Accordingly, effective on the date of publication of the ITC's final affirmative injury determinations, CBP will require, at the same time as importers would normally deposit estimated duties on the subject merchandise, a cash deposit for each entry of subject merchandise equal to the subsidy rates listed below. <sup>12</sup> The all-others rate applies to all producers or exporters not specifically listed below, as appropriate.

Company	Subsidy Rate (percent)
Dongguan Guanqiao Industrial Co., Ltd	111.96
Foshan Shunde Ronggui Yingli Industrial Co., Ltd	111.96
Yiwu Kurui Handicraft Co. Ltd	111.96
Zhenjiang Hongda Commodity Co. Ltd	111.96

<sup>&</sup>lt;sup>11</sup> See Twist Ties from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination, 85 FR 77167 (December 1, 2020) (CVD Preliminary Determination).

<sup>&</sup>lt;sup>12</sup> See section 706(a)(3) of the Act.

Zhenjiang Zhonglian VE Co., Ltd	111.96
All Others	111.96

### Provisional Measures – CVD

Section 703(d) of the Act states that suspension of liquidation instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months. Commerce published its *CVD Preliminary Determination* on December 1, 2020. Therefore, the provisional measures period, beginning on the date of publication of the *CVD Preliminary Determination*, ended on March 30, 2021. Pursuant to section 707(b) of the Act, the collection of cash deposits at the rate listed above will begin on the date of publication of the ITC's final affirmative injury determinations.

Therefore, in accordance with section 703(d) of the Act, Commerce instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of twist ties from China entered, or withdrawn from warehouse, for consumption after March 30, 2021, the date on which the provisional measures expired, through the day preceding the date of publication of the ITC's final injury determinations in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final affirmative injury determinations in the *Federal Register*.

### Notifications to Interested Parties

This notice constitutes the AD and CVD orders with respect to twist ties from China pursuant to sections 706(a) and 736(a) of the Act. Interested parties can find a list of orders currently in effect at http://enforcement.trade.gov/stats/iastats1.html.

These orders are published in accordance with sections 706(a) and 736(a) of the Act and 19 CFR 351.211(b).

Dated: April 8, 2021.

Christian Marsh, Acting Assistant Secretary for Enforcement and Compliance.

# **Appendix**

# **Scope of the Orders**

The merchandise covered by these orders consists of twist ties, which are thin, bendable ties for closing containers, such as bags, bundle items, or identifying objects. A twist tie in most circumstances is comprised of one or more metal wires encased in a covering material, which allows the tie to retain its shape and bind against itself. However, it is possible to make a twist tie with plastic and no metal wires. The metal wire that is generally used in a twist tie is stainless or galvanized steel and typically measures between the gauges of 19 (.0410" diameter) and 31 (.0132") (American Standard Wire Gauge). A twist tie usually has a width between .075" and 1" in the cross-machine direction (width of the tie – measurement perpendicular with the wire); a thickness between .015" and .045" over the wire; and a thickness between .002" and .020" in areas without wire. The scope includes an all-plastic twist tie containing a plastic core as well as a plastic covering (the wing) over the core, just like paper and/or plastic in a metal tie. An all-plastic twist tie (without metal wire) would be of the same measurements as a twist tie containing one or more metal wires. Twist ties are commonly available individually in pre-cut lengths ("singles"), wound in large spools to be cut later by machine or hand, or in perforated sheets of spooled or single twist ties that are later slit by machine or by hand ("gangs").

The covering material of a twist tie may be paper (metallic or plain), or plastic, and can be dyed in a variety of colors with or without printing. A twist tie may have the same covering material on both sides or one side of paper and one side of plastic. When comprised of two sides of paper, the paper material is bound together with an adhesive or plastic. A twist tie may also have a tag or label attached to it or a pre-applied adhesive attached to it.

Excluded from the scope of the orders are twist ties packaged with bags for sale together where the quantity of twist ties does not exceed twice the number of bags in each package. Also excluded are twists ties that constitute part of the packaging of the imported product, for example, merchandise anchored/secured to a backing with twist ties in the retail package or a bag of bread that is closed with a twist tie.

Twist ties are imported into the United States under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 8309.90.0000 and 5609.00.3000. Subject merchandise may also enter under HTSUS subheadings 3920.51.5000, 3923.90.0080, 3926.90.9990, 4811.59.6000, 4821.10.2000, 4821.10.4000, 4821.90.2000, 4821.90.4000, and 4823.90.8600. These HTSUS subheadings are provided for reference only. The written description of the scope of the orders is dispositive.

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